

# Environmental ANNOUNCEMENT

12/4/2023

# TECHNICAL EXPERTISE

## Brought Into FOCUS by INDUSTRY LEADERS

All,

As many of you are aware U.S. climate envoy John Kerry spoke about reducing methane emissions at the U.N. climate summit last year in Sharm el-Sheikh, Egypt. Based on that release, the EPA seemed poised to make oil and gas methane regulation a showpiece of the 2023 U.N. climate talks at the end of November.

If you were following along the last few months, a possible government shutdown in late November could have prevented those plans by stopping EPA officials from attending the summit in Dubai, United Arab Emirates. That shutdown did not occur and left us all waiting on baited breath for an official rule release date.

As of December 2, 2023, the EPA has issued the prepublication version of the final rule, please see the following relevant hyperlink:

[EPA's Final Rule for Oil and Natural Gas Operations Will Sharply Reduce Methane and Other Harmful Pollution. | US EPA](#)

**\*\*The effective date of the rule will be 60 days after final rule publication in the Federal Register\*\***

This document is intended for service providers, not permit holders, therefore several sections of the rule are not covered. Inquiries regarding those sections are welcome, please feel free to email me.

Sincerely,

Dalyce M. Watson, M.A. ENV LAW  
Environmental Specialist  
Office: (903) 291.2742  
Cell: (903) 331.8264  
[dwatson@jwenergy.com](mailto:dwatson@jwenergy.com)

122 Dovel Road  
Longview, TX 75605



### NSPS Final Action Summary

*Document Pages – 1,690*

*XI. Significant Comments Since Supplemental Proposal of NSPS OOOOb and EG OOOOc pg. 318*

*XI.A. Fugitive Emissions at Wellsites, Centralized Production Facilities and Compressor Stations pg. 337.*

*XI.A.f.2 Delay of repair due to parts unavailability pg.345*

*XI.D.2 Process Controllers, Zero Emission Standards pg.410*

*XI.D.4 Process Controllers, Compliance Dates pg.427*

*XI.D.6 Process Controllers, Modification and Reconstruction Criteria pg.427*

*XI.D.6 Process Controllers, Change in Process Controller Terminology pg.433*

*XI.I.5 Recip Compressors, Numeric standard versus work practice standard pg 587*

*XI.I.1 Recip Compressors, Numeric standard versus work practice standard (DELAY OF REPAIR) pg 588*

*XI.I.2 Recip Compressors, Rod packing Change Out, Schedule Based Approach pg 590*

*XI.I.3 Recip Compressors, Clarification that the standard is based on a per cylinder basis pg.592*

*XI.I.5 Recip Compressors, Applicability of Requirements to Compressors at Centralized Production Facility pg.599*

*NSPS OOOO §60.5365 pg.847*

*NSPS OOOOa §60.5365a pg.855*

# NSPS 0000 Summary

As a helpful starting point to evaluate the new prepublication version, signed by EPA Administrator, Michael S. Regan on 11/30/2023, please see the following relevant summarized changes. As more information becomes available and the rule becomes finalized this document will change so, please be on the lookout for updates. As always if you would like to contribute to this document, please email me as soon as possible.

## *XI. Significant Comments Since Supplemental Proposal of NSPS 0000b and EG 0000c pg. 318*

### *XI.A.f.1 Fugitive Emissions at Wellsites, Centralized Production Facilities and Compressor Stations pg. 337.*

#### *Relevant Information Found:*

**Issue:** Following the publication of the December 2022 Supplemental Proposal, the draft regulatory text for NSPS 0000b and EG 0000c inadvertently adopted, without change, the definition of “major production and processing equipment” in NSPS 0000a, which has different fugitive emissions monitoring programs for well sites than that of NSPS 0000b and EG 0000c; as a result, natural gas-driven pneumatic controllers, natural gas-driven pneumatic pumps, and control devices were inadvertently excluded from the definition of “major production and processing equipment” in the proposed NSPS 0000b and EG 0000c.

**Response:** Added “natural gas-driven pumps” to the list of major equipment that puts a well site into the third subcategory (well sites with major production and processing equipment) at 40 CFR 60.5397b(g)(1)(iv)(C) and 40 CFR 60.5397c(g)(1)(iii)(C); added “natural gas-driven pumps” to the list of major equipment that cannot be present at a small well site at 40 CFR 60.5430b and 40 CFR 60.5430c; and added “control devices, natural gas-driven process controllers, natural gas-driven pumps” and “tank batteries” to the definition of major production and processing equipment at 40 CFR 60.5430b and 40 CFR 60.5430c.

**XI.A.f.2 Delay of repair due to parts unavailability pg.345:** EPA is allowing delay of repair that requires replacement where the replacement cannot be acquired and installed within the repair timeline due to either of the following conditions: (1) replacement valve supplies have been sufficiently stocked but are depleted at the time of repair; or (2) a replacement fugitive emissions component or a part thereof requires custom fabrication. In either situation, the required replacement must be ordered within 10 calendar days after the first attempt at repair. The repair must be completed within 30 calendar days after receipt of the replacement or during the next scheduled shutdown for maintenance after the replacement is received (if the repair requires a shutdown).

**XI.D.2 Process Controllers, Zero Emission Standards pg.410:** The EPA disagrees that grid power is necessary to comply with the zero-emissions standard for process controllers. The EPA states there are many other technologically feasible and cost-effective options that are available to owners or operators to achieve zero emissions from process controllers, including self-contained controllers, solar-powered controllers, controllers powered by electric generators, and controllers that have their emissions routed to a process. The EPA believes these options that are not powered by electricity from the commercial power grid are cost reasonable.

**XI.D.4 Process Controllers, Compliance Dates pg.427** Based on comments, the EPA has recognized that some equipment necessary for the installation of zero-emitting process controllers may not be available quickly enough, and in large enough quantities, to enable new sources to comply with the final standard upon startup, or within 60 days after the publication of the final NSPS. The EPA is not certain that new sources could obtain the equipment necessary to demonstrate compliance immediately upon the effective date of the final rule and is therefore finalizing a compliance deadline for process controllers that allows for up to 1 year from the effective date of the final rule. Until that final date of compliance, owners and operators must demonstrate compliance with an interim standard which mirrors the requirements for sites in Alaska that do not have access to electrical power found at 40 CFR 60.5390b(b). One option is to use low-bleed controllers and/or intermittent vent controllers, and to perform monitoring of intermittent vent controllers to ensure they do not vent during idle periods. The other option is to route process controller emissions to a control device.

**XI.D.6 Process Controllers, Modification and Reconstruction Criteria pg.427**

**Issue:** Commenters requested that the EPA clarify that, for purposes of the collection of process controllers at a site, a modification and or reconstruction would occur only when a natural gas-driven process controller is added, rather than the addition of any type of process controller

**Response:** The EPA concurs with commentators that the intent was not specifically spelled out and has have changed the regulatory language to clarify that the addition of one or more natural gas-driven controllers to a site constitutes a modification. Reconstruction would be considered to occur whenever greater than 50 percent of the number of existing onsite natural gas-driven process controllers are replaced, rather than the replacement of any type of process controller, as only natural gas-driven process controllers are considered to be affected facilities for the NSPS.

**XI.D.6 Process Controllers, Change in Process Controller Terminology pg.433:** To clarify, the final rule applies to the collection of natural gas-driven process controllers at a well site. Process controllers that are not driven by natural gas are not included in the affected facility. Further, only process controllers driven by natural gas will be counted when determining whether a modification or reconstruction has occurred.

**XI.I.5 Recip Compressors, Numeric standard versus work practice standard pg 587.:** In the final rule, the 2 scfm performance-based volumetric flow rate standard will be implemented as a work practice standard and not as a numeric limit where an exceedance would be considered a violation. As such, the volumetric flow rate of 2 scfm is an action level that, if exceeded, triggers the action of repairing or replacing the rod packing and is not a numerical limit. Specifically, the final rule for reducing GHGs and VOC from new reciprocating compressors requires repair or replacement of the rod packing where, based on the required monitoring, the performance-based volumetric flow rate standard is exceeded. If the volumetric emissions measurement of the reciprocating compressor rod packing has a flow rate greater than 2 scfm (in operating or standby pressurized mode) or a combined rod packing flow rate greater than the number of compressor cylinders multiplied by 2 scfm, an owner or operator must repair or replace the reciprocating compressor rod packing within 30 calendar days after the date of the volumetric emissions measurement.

**XI.I.1 Recip Compressors, Numeric standard versus work practice standard (DELAY OF REPAIR) pg 588.:** The final rule allows for a delay of repair if the repair or replacement would require a vent blowdown, or it would otherwise be infeasible or unsafe, until the next process unit shutdown—specifically, if the repair or replacement (1) is technically infeasible, (2) would require a vent blowdown, (3) would require a process unit or facility shutdown, (4) needs to be delayed because parts or materials are unavailable, or (5) would be unsafe to repair during operation of the unit. In cases where there is a need for delay of repair, the repair must be completed during the next scheduled process unit or facility shutdown for maintenance, after a scheduled vent blowdown, or within 2 years, whichever is earliest.

**XI.I.2 Recip Compressors, Rod packing Change Out, Schedule Based Approach pg 590.:** The EPA is not including the 26,000-hour, fixed-schedule rod packing replacement as an alternative option to the condition-based 2 scfm volumetric flow rate monitoring option. However, under the final rule, the EPA has clarified that an owner or operator would be allowed to replace rod packing on or before 8,760 hours of operation after last rod packing replacement or monitoring and forgo the need to conduct the required performance based volumetric flow rate monitoring.

**XI.I.2 Recip Compressors, Rod packing Change Out, Schedule Based Approach CONT. pg 590.:**

The final rule also specifies that owners or operators are allowed to forgo volumetric flow rate measurements if they replace the rod packing at or before 8,760 hours of operation after the last rod packing replacement or flow rate measurement. The final rule has also been revised to state that the first volumetric flow rate measurements from a reciprocating compressor affected facility are to be conducted at or before 8,760 hours of operation after the effective date of the final rule (i.e., 60 days after publication of the final rule in the Federal Register), or at or before 8,760 hours of operation after the last rod packing replacement, or at or before 8,760 hours of operation after startup, whichever is later. Subsequent volumetric flow rate measurements from your reciprocating compressor are to be conducted at or before 8,760 hours of operation after the previous measurement that demonstrates compliance with the 2 scfm volumetric flow rate, or at or before 8,760 hours of operation after the last rod packing replacement, whichever is later. As an alternative to conducting required volumetric flow rate measurements, the final rule allows an owner or operator the option to comply by replacing the rod packing at or before 8,760 hours of operation after the effective date of the final rule, at or before 8,760 hours of operation after the previous flow rate measurement, or at or before 8,760 hours of operation after the date of the most recent compressor rod packing replacement, whichever is later.

**XI.I.3 Recip Compressors, Clarification that the standard is based on a per cylinder basis pg.592:** The EPA agrees that the basis and intent of the standard is that it be applied on a per-cylinder basis and that clarity was needed in both the NSPS OOOOb and EG OOOOc regulatory text.

**XI.I.5 Recip Compressors, Applicability of Requirements to Compressors at Centralized Production Facility pg.599:**

Ultimately there was a lot of commentary surrounding whether it was the EPA's intent to apply the requirements to compressors at well sites. Ultimately the EPA states, "That intent is that reciprocating compressors located at well sites are not subject to requirements. However, reciprocating compressors located at centralized production facilities that consist of equipment at a single surface site used to gather, for the purpose of sale or processing to sell, crude oil, condensate, produced water, or intermediate hydrocarbon liquid from one or more offsite natural gas or oil production wells (including reciprocating compressors) are subject to reciprocating compressor requirements."

**XII.I.5 Significant Comments and Changes Since Proposal for NSPS OOOOa and OOOO pg.599:** As a reminder, the 2020 Policy Rule rescinded all NSPS regulating emissions of VOC and methane from sources in the natural gas transmission and storage segment of the oil and natural gas industry and NSPS regulating methane from sources in the industry's production and processing segments. As a result, the 2020 Technical Rule only amended the VOC standards for the production and processing segments in the 2016 NSPS OOOOa, because those were the only standards that remained at the time that the 2020 Technical Rule was finalized.

**You are NSPS OOOO §60.5365 pg.847** if... you are the owner or operator of one or more of the onshore affected facilities listed in paragraphs (a) through (g) of this section for which you commence construction, modification, or reconstruction after August 23, 2011, and on or before September 18, 2015. An affected facility must continue to comply with the requirements of this subpart until it begins complying with a more stringent requirement, that applies to the same affected facility, in an approved, and effective, state or Federal plan that implements subpart OOOOc of this part, or modifies or reconstructs after December 6, 2022, and thus becomes subject to subpart OOOOb of this part.

(c) Each reciprocating compressor affected facility, which is a single reciprocating compressor located between the wellhead and the point of custody transfer to the natural gas transmission and storage segment. A reciprocating compressor located at a well site, or an adjacent well site and servicing more than one well site, is not an affected facility under this subpart.

(d)(2) For the natural gas production segment (between the wellhead and the point of custody transfer to the natural gas transmission and storage segment and not including natural gas processing plants), each pneumatic controller affected facility, which is a single continuous bleed natural gas-driven pneumatic controller operating at a natural gas bleed rate greater than 6 standard cubic feet per hour.

*You are NSPS OOOOa §60.5365a pg.855* if... You are subject to the applicable provisions of this subpart if you are the owner or operator of one or more of the onshore affected facilities listed in paragraphs (a) through (j) of this section, that is located within the Crude Oil and Natural Gas source category, as defined in §60.5430a, for which you commence construction, modification, or reconstruction after September 18, 2015, and on or before December 6, 2022. Facilities located inside and including the Local Distribution Company (LDC) custody transfer station are not subject to this subpart. An affected facility must continue to comply with the requirements of this subpart until it begins complying with a more stringent requirement, that applies to the same affected facility, in an approved, and effective, state or Federal plan that implements subpart OOOOc of this part, or modifies or reconstructs after December 6, 2022, and thus becomes subject to subpart OOOOb of this part.

*Relevant NSPS OOOOa §60.5365a Definitions pg.883*

*Compressor station* means any permanent combination of one or more compressors that move natural gas at increased pressure through gathering or transmission pipelines, or into or out of storage. This includes, but is not limited to, gathering and boosting stations and transmission compressor stations. The combination of one or more compressors located at a well site, or located at an onshore natural gas processing plant, is not a compressor station for purposes of §60.5397a.

*Crude oil and natural gas source category means:* (1) Crude oil production, which includes the well and extends to the point of custody transfer to the crude oil transmission pipeline or any other forms of transportation; and (2) Natural gas production, processing, transmission, and storage, which include the well and extend to, but do not include, the local distribution company custody transfer station.